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4 August 1964

MEMORANDUM FOR THE RECORD

SUBJECT: DCI Meeting with Senator Richard B. Russell

1. The Director, accompanied by Mr. Emmett Echols and Mr. Warner, met with Senator Russell for approximately 40 minutes. The Director first discussed the proposed new building for our printing facilities. He went through this briefly indicating cost and security advantages of consolidating our two facilities in a new building at the headquarters site. He advised the Senator that total cost would be approximately \$1.7 million pointing out that this amount remained from the original appropriation for the headquarters installation. The Director stated that it was our view that the funds were still available and that the original authorization was sufficiently broad to cover this. The Director pointed out that this had, however, been discussed with Mr. Vinson's Subcommittee and Mr. Mahon's Subcommittee for the Agency and that they had approved our going ahead with this. The Senator queried Mr. Warner whether he had recently read the authorization and did he believe it was adequate. I said we had gone into this very carefully and I believed it was adequate. Senator Russell stated that he thought the proposal was all right and that we should go ahead but did request that the authorization language be checked with Mr. Darden of the Committee staff and this I promised to do.

2. The Director raised with Senator Russell the question of approval of our 1965 appropriation and inquired whether the Senator wished to go into this in any further detail since we had not discussed this fully with the Subcommittee. The Senator said he thought we had discussed rather fully [redacted] and indicated he saw no

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(funds.) The Director indicated that he understood that Mr. Mahon was

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was going to speak to him about our budget rather than sending us the usual letter and apparently hoped to develop a single letter from both the Senate and the House. The Senator said that Mahon had not talked with him but he would be happy to meet with him on this.

3. The Director then discussed our retirement bill. He touched on the high quality of our people and the need to have more adequate benefits for those who are in clandestine activities. The Senator stated that he was fully alert to our concern on the bill. He stated that he has not had the time to go into it for a long time and that when he had first read it he felt there were some features which needed adjustment. The Director stated the House had held extensive hearings and attempted to tighten up the bill. The Senator indicated that by normal standards, however, this was still a loose bill and necessarily had to be so. He stated that in his view if Mr. McCone were to remain the Director he would have no hesitancy but that some tightening should be present for future Directors. The Director stated that, of course, we would be happy to go into any adjustments and undoubtedly some could be made. The Senator stated that he was nearing the end of his Committee business and he really had only two items remaining and they were the ROTC bill and the CIA Retirement bill. He stated he would like to read it again alone and pose some questions to us. He mentioned that Mr. Braswell has done some work on this. Mr. Warner stated he has discussed the bill with Braswell but has worked more with Bill Darden on it. The Senator suggested that Mr. Warner get together with Braswell and offer him all of the material we have and possibly answer questions. The Senator indicated he would try to get to this in the very near future. The Senator did say that there was one significant difference between the Agency bill and the Foreign Service. (It is assumed and the Director agrees that the point referred to by Russell is the absence of statutory limitations in the ability of the Director to designate participants whereas at least in the Foreign Service these appointments are in the name of the President with confirmation by the Senate. This assumption is supported by the fact that at one point Russell ventured his view that there are too many Foreign Service Officers in any event.)

4. Action to be taken: (a) Mr. Warner to check with Bill Darden on the printing plant building and the original authorization; (b) get word to Mahon that Russell would be happy to meet with him on the Agency budget; and (c) Echols and Warner to meet with Braswell at the earliest possible moment on the retirement bill.

cc: E/Personnel DDH
AD/BPAM ES/Dir
OGC/LC Subject - Chrono

s/ John S. Warner
JOHN S. WARNER
Legislative Counsel

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DU/S 64-1633

NEW BUILDING FOR PRINTING FACILITIES

PROPOSAL

1. To construct a building on the Langley site to house those Agency printing facilities now located outside the headquarters building.

FACTS

2. The Agency presently operates four printing plants. Two of these occupy approximately 10,000 sq. ft. in the headquarters building in close proximity to the components they serve and it is not considered either feasible or desirable to change this arrangement. The two outside plants which would be consolidated are:

Leased space

54,464 sq. ft. gross

Fiscal Year 1963 Cost (Paid by GSA)

Rent	\$58,500
Utilities	<u>72,000</u>

\$130,500

Personnel

Regular
Night Shift

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Plant No. 2 (South Building Basement, 2430 E St., N.W.)

Government-owned space

17,932 sq. ft. gross

Personnel

Regular
Night Shift

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In addition, the Chief of the Printing Services Division and his staff occupy 1,410 sq. ft. in Quarters Eye which should be incorporated into the proposed new plant.

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Maximum Personnel

Plant No. 1	54,464 sq. ft.
Plant No. 2	17,932 sq. ft.
Office of Chief, PSD	<u>1,410 sq. ft.</u>
	73,806 sq. ft.



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3. A modern, special purpose building containing 64,000 gross sq. ft. will provide adequate space for the consolidation of the above facilities. Comparative statistics regarding square footage per employee are meaningless in this type of industrial space. Size and amount of machinery and work flow, rather than number of personnel determine space requirements.

4. Sufficient land is available at the headquarters site for construction of the proposed printing plant. Of several possible locations, the one shown in the attachment has been tentatively selected as the most practical.

5. The sum of \$1,730,000 remaining as an unobligated balance of funds appropriated for construction of the headquarters building will be sufficient to construct the proposed plant. Our engineers estimate that a building of the type required can be built for \$25 per gross sq. ft. or a total of \$1,600,000 for 64,000 gross sq. ft. This would include air-conditioning throughout, some dust-proofing and some special de-humidified areas for the storage of paper. The remaining \$130,000 would be available for site development work including sufficient parking spaces for the plant personnel.

6. The expenditure of the unobligated balance of the headquarters building fund for this purpose is in the opinion of the Agency General Counsel entirely within the scope of the original authorization and appropriation. No legislation or other congressional action is required. However, the House Appropriations Sub-committee is aware of this unexpended balance and we should obtain their information sanction to use it in this way. The Bureau of the Budget has already given its approval.

JUSTIFICATION

7. The consolidation of Printing Plants Nos. 1 and 2 at the headquarters site will provide the following advantages:

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a. Eliminate duplication of personnel. Savings of eight to ten personnel can be effected in the number of supervisory and administrative positions required and some duplication of technical personnel can be avoided.

b. Eliminate duplication of equipment and consequent waste of space. A considerable duplication of equipment is now unavoidable in the operation of two plants. Maintenance costs would be reduced and equipment utilization increased.

c. Reduce time lost in transportation of work to and from the present plants. Headquarters components generate the bulk of the printing workload, but they are sixteen miles from Plant No. 1 in Alexandria and nine miles from Plant No. 2 in South Building. By practically eliminating the time required to deliver copy to the plant and return the finished product to the customers, we will not only be providing better and more rapid printing service, but will eliminate the excessive use of expensive duplicating machines at headquarters for work that could be done more efficiently in the printing plant were it only a few minutes away.

d. Eliminate the serious security hazard inherent in the movement of classified documents, usually in bulk lots, over the public highways. In addition to the reduction of the security hazard, considerable savings in money and manpower would be derived from the reduced courier requirements. (Two men must accompany all classified material while in transit.)

e. More economical and efficient use of space. Plant No. 1 is located in what was originally an automotive parts depot and Plant No. 2 occupies former office space. Modern production-line-type operations would, in a properly designed building, permit streamlining of work flow with resultant increase in efficiency.

8. The consolidation will release 54,464 sq. ft. of leased space now occupied by Plant No. 1 at an annual rental of \$58,500 and will make available for other Agency use the 17,932 sq. ft. of office space occupied by Plant No. 2. Since the Agency is paying over \$5 per sq. ft. for downtown office space, the removal of Plant No. 2 from South Building will represent a saving of approximately \$90,000 per year. The 1,410 sq. ft. now occupied by the Chief, Printing Services Division, in government-owned Quarters Eye is scheduled for demolition during the next few years and a new location will have to be provided at that time. At current rental rates, a saving of about \$155,000 per year would be effected in all three locations.

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